

**WORK SESSION AND REGULAR MEETING OF THE COMMON COUNCIL  
OF THE CITY OF EL MIRAGE  
EL MIRAGE CITY COUNCIL CHAMBERS  
14010 N. EL MIRAGE ROAD  
6:00 PM - TUESDAY, JUNE 7, 2016**

**Minutes**

**I. ROLL CALL**

Present: Mayor Lana Mook, Vice Mayor Joe Ramirez, Councilmember Roy Delgado, Councilmember Bob Jones, Councilmember Jack Palladino, Councilmember Lynn Selby, Councilmember David Shapera

**II. CALL TO ORDER**

The meeting was called to order at 6:00 pm.

Pledge of Allegiance

Moment of Silence

Silence Cell Phones & Pagers

**III. WORK SESSION**

**W1.** Work session to review the plant operations for the Fuel Processing Operators LLC (Pro-Petroleum) located at 1126 W. Olive Avenue, El Mirage, Arizona 85335. (Development & Community Services)

Development & Community Services Director/City Engineer Jorge Gastelum stated Council would be considering a Major Site Plan Amendment for Fuel Processing Operators, LLC (FPO) later in this meeting and prior to consideration, FPO wanted to explain their operation to Council. He then introduced FPO representatives present, Environmental Consultant Lynn Niewiadomski, VP of Operations Mike Mathers, and K-Engineering & Design Architect Nicole Lee. Ms. Niewiadomski began by stating that the objective of this workshop is to explain the operations of the FPO El Mirage Transmix Facility, give a project description, show the potential benefit to the City, and answer any questions. She described the site and explained that their operation processes transmix fuels which is commingled diesel, gasoline and jet fuel originating from pipelines that transport fuel to the Phoenix Valley. Those fuels are unusable without processing and the FPO facility receives transmix from Valley pipeline terminals, separates the transmix into usable diesel and gasoline, and then distributes the separated products to other facilities. This provides an uninterrupted pipeline delivery to the Valley. The proposed project will modify existing operations to allow for removal of sulfur from diesel fuel which will meet EPA's ultralow sulfur diesel (ULSD) specification. ULSD results in reduction of vehicle emissions but requires the installation of additional equipment to process. In addition, the project proposes to improve aesthetics of the area by installing architectural

screen walls along Olive Avenue and 121<sup>st</sup> Avenue and including attractive landscaping along Olive Avenue.

Councilor Delgado asked what type of fuels were being processed and was informed they process diesel and gasoline. He then asked about the tank capacity and was advised by Mr. Gastelum that tank capacity is 315K gallons; no new tanks are included in the Plan Amendment. Councilor Delgado asked if foam was available in case of fire and was informed by VP Mr. Mathers that there is not currently foam at the facility though there are fire monitors and water cannons; foam may be considered in the future. Councilor Delgado expressed his concern about fighting a fire and Mr. Mathers replied he would confer with their fire consultant and also stated he works closely with the El Mirage Fire Department who has conducted inspections in the past. Councilor Delgado also asked if there is a safety plan in place and was told there is and all personnel are trained.

Vice Mayor Ramirez asked if volume was being increased and Ms. Niewiadomski responded that volume would not be increased but the proposed plan will enable compliance to be achieved more efficiently. VM Ramirez asked for confirmation that the project would improve aesthetics along Olive Avenue and was assured that a wall and landscaping was part of the proposed plan.

Councilor Delgado asked if spill containment is currently adequate and meeting regulations and was advised by Ms. Niewiadomski that they have spill containment for worst case scenario and it is a combination of drainage systems at the loading rack, earth and soil berms around the tanks, and training best management practices that requires spill drills. They currently meet all required regulations.

Councilor Jones asked if the plant has been in operation for approximately twenty years and was told yes. He then asked if there were any safety violations during those twenty years. Ms. Niewiadomski stated there were no major violations or spills. Councilor Jones also inquired about the number of transports per day. Mr. Mather reported there are approximately 2,000 barrels (3,000 gallons) per load with 15 trucks in and 15 trucks out.

Mayor Mook asked how tall that wall will be and was told 8 feet high.

#### **IV. PRESENTATION**

- P1.** Presentation to Councilor Lynn Selby, recipient of the 2016 National Safety Operation Lifesaver F. Tom Roberts Memorial Volunteer Award for his rail safety education outreach efforts in Arizona. (Administration)

Mayor Mook introduced Mr. Doug Farler, State Coordinator for Arizona Operation Lifesaver. She stated Mr. Farler drove up from Tucson to present Councilor Lynn Selby with the Operation Lifesaver National F. Tom Roberts Memorial Volunteer Award.

Mr. Doug Farler reported that Operation Lifesaver provides education regarding safety around railroad tracks. He stated Mr. Selby volunteered five or six years ago to educate citizens about railroad safety and in that time he has presented to over 40,000 citizens of various groups. Mr. Selby was awarded the national award at an annual convention in May and this is to present him with the award before his peers in his home town. He has been an outstanding volunteer and Operation Lifesaver is fortunate to have him join their efforts in promoting railroad safety. Mr. Farler stated is honored to present the F. Tom Roberts Memorial Volunteer Award to such a well-deserving volunteer.

## **V. CALL TO THE PUBLIC**

Citizens desiring to speak on a matter that IS NOT on this agenda may do so at this time. Comments shall be limited to three (3) minutes per person and shall be addressed to the City Council as a whole. At the conclusion of the Call to the Public, individual City Council Members may (1) respond to criticism made by those who have spoken; (2) direct staff to review or respond to the matter, and/or (3) direct that the matter be put on a future agenda.

No Public Comment Cards were presented.

## **VI. CONSENT AGENDA**

All items listed under the Consent Agenda will be voted on with one motion. If discussion is desired regarding any Consent Agenda Item, that item will be removed from the Consent Agenda and voted on separately.

1. Consideration and action approving the minutes of the Regular Council Meeting held Tuesday, May 17, 2016. (City Clerk)
2. Consideration and action to approve the destruction of municipal documents that have reached the end of their retention period as authorized under A.R.S. §41-151.19. (City Clerk)
3. Consideration and action to adopt revised Financial Policies. (Finance)
4. Consideration and action to authorize the Deputy City Manager/Finance Director to make transfers as necessary for FY2015-16 to adjust fund and department balances to comply with annual audit. (Finance)
5. Consideration and action to authorize the Deputy City Manager/Finance Director to make budget adjustments for FY2016-2017 to adjust the balance of FY2015-16 carry forward projects. (Finance)

**Vice Mayor Ramirez moved to approve all items listed on the Consent Agenda as presented; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

## **VII. REGULAR AGENDA**

- A.** Public hearing, closure of public hearing, followed by consideration and action to approve a Major Site Plan Amendment to the Fuel Processing Operators LLC (Pro Petroleum) plant at 12126 W. Olive Avenue and authorize the City Manager to enter into a development agreement. (Development & Community Services)

Mayor Mook opened the Public Hearing

Development & Community Services Director/City Engineer Jorge Gastelum presented the Major Site Plan Amendment for Pro-Petroleum located at 12126 W. Olive Avenue. Mr. Gastelum described the site stating it is currently vacant and zoned Employment Industry (E/I) with a General Plan (GP) Land Use of Commerce/Industry Park. Pro-Petroleum is requesting a Major Site Plan Amendment to Industrial Use. Mr. Gastelum reviewed the landscape plan and reported City staff does not object to the application and recommends approval. There was a Planning & Zoning Commission public hearing on April 12, 2016 where no public comments were received. The P&Z Commission recommends approval with a 4-0 vote.

Resident Steve Gilliam asked whether Luke Air Force Base had been contacted to comment on flights that might be impacted by a fire at the facility. Mr. Gastelum reported this Major Site Plan Amendment was sent to Luke for their review and they had no concerns.

Mayor Mook closed the Public Hearing.

**Vice Mayor Ramirez moved to approve a Major Site Plan Amendment to the Fuel Processing Operators LLC (Pro Petroleum) plant at 12126 W. Olive Avenue and authorize the City Manager to enter into a development agreement; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

- B.** Public hearing, closure of public hearing, followed by consideration and action to approve a Conditional Use Permit and Major Site Plan for the El Mirage Business Center & Storage facility at 10111 N. El Mirage Road. (Development & Community Services)

Mayor Mook opened the Public Hearing

Mr. Gastelum presented the Conditional Use Permit/Site Plan proposal for the El Mirage Business Center & Storage facility located at 10111 N. El Mirage Road. The site is 16.12 vacant acres zoned CP/EI with a land use of Industrial. The site

plan is provided for by the Commerce/Industrial Park portion of the General Plan and is compatible A.R.S. §28-8481 providing for compatibility with the 65 & 70 Ldn noise contour. Mr. Gastelum showed the site plan consisting of 1,456 sq. ft. of office space and 189,000 sq. ft. of storage space and presented the landscape plan and elevations as well. City staff has reviewed the request and has no objections to the proposal and recommends approval of the Conditional Use Permit and Site Plan. The Planning & Zoning commission held a public hearing on May 12, 2016; receiving no comments the Planning & Zoning Commission recommends approval with a 4-0 vote. Greg Cornell, Project Architect with Cornell Architecture, was present to answer questions.

Councilor Selby asked if the City receives rental tax on this type of facility and was advised by Mr. Gastelum that the City does receive 3% rental tax.

Councilor Shapera asked what kind of signage will there be on El Mirage Road and Mr. Gastelum responded that signs are not included in this proposal and will be a separate submission according to City Code.

Vice Mayor Ramirez inquired about the type of walls and Mr. Gastelum reported block walls will be constructed on 121<sup>st</sup> Avenue and along Cheryl Drive; also there will be landscaping and parking spaces along the frontage adjacent to El Mirage Road.

Resident Steve Gilliam asked if the City has any control on what can be stored in the storage facility and Mr. Gastelum responded yes that storage content is controlled through City Code.

Mayor Mook closed the Public Hearing.

**Vice Mayor Ramirez moved to approve a Conditional Use Permit and Major Site Plan for the El Mirage Business Center & Storage facility at 10111 N. El Mirage Road; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

- C. Public hearing, closure of public hearing, followed by consideration and action to approve a Site Plan for a Burger King restaurant with a drive-through facility at 13775 N. Dysart Road. (Development & Community Services)

Mayor Mook opened the Public Hearing.

Mr. Gastelum presented a site plan approval for a Burger King restaurant to be located at 13775 N. Dysart Road on 1.15 acres with commercial buildings in Urban Corridor (UC) zoning. Land use would be commercial in The Neighborhoods portion of the General Plan. Mr. Gastelum reviewed the site plan and elevation drawings for a 3,237 sq. ft. restaurant with a drive-through facility. City staff has reviewed and has no objections to the proposal and recommends

approval of the Site. The Planning & Zoning Commission held a Public Hearing on May 12, 2016 with no public comments received and the Commission recommends approval with a 4-0 vote. Michael Bustamante, Project Manager for One Architecture, was present to answer any questions.

Councilor Shapera asked a number of questions that were answered by Mr. Shane Barnett, partner in the franchise: 1) is the land being leased? Answer – no, the land is being purchased, 2) will there be litter containment? Answer – yes, they hire a person whose sole and specific full time responsibility is to police and maintain the property and surrounding area. Additionally, all managers are required to walk the property every 20 minutes and keep the entire area clean, 3) is there a filtration system to control odor? Answer – yes, they have filters within the hoods and fryers for grease collection daily and filters in the air conditioners as well, 4) where will the dumpster be located? Answer – Mr. Barnett indicated on the area map and advised the area would be enclosed, 5) will there be signage? Answer - per City requirements signage would be submitted and considered separately at a later date, and 6) will they be open 24 hours? Answer – no.

Councilor Delgado asked what the hours of operation would be and Mr. Barnett responded Monday – Thursday from 6:00 am to 10:00 pm with the drive-through open until 11:00 pm, Friday - Saturday from 6:00 am to 11:00 pm with the drive-through open until midnight, and Sunday from 7:00 am to 11:00 pm. Councilor Delgado asked if the night time lighting would have an impact on neighboring residences and Mr. Gastelum reported the lighting will meet all requirements to minimize an potential adverse impact.

Vice Mayor Ramirez commented he was thankful they were locating closer to where he lived and thanked them for coming to this part of El Mirage.

Mayor Mook thanked them for a second Burger King restaurant in El Mirage.

Resident Steve Gilliam asked if public safety would be up-to-date as far as cameras/surveillance equipment is concerned and was advised by Mr. Barnett that there will be 16 cameras around the property and they work closely with the Police Department.

Councilor Delgado asked whether Regional Manager Eric Tahata will be at this restaurant as well as the one on Olive Avenue and El Mirage Road and Mr. Barnett confirmed that he would also be working this restaurant as well.

Mayor Mook closed the Public Hearing.

**Vice Mayor Ramirez moved to approve a Site Plan for a Burger King restaurant with a drive-through facility at 13775 N. Dysart Road; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

- D.** Consideration and action to authorize the City Manager to enter into a contract with Redhawk Solutions LLC for traffic signal maintenance and repair in an amount not to exceed \$50,000 annually. (Public Works)

Acting Public Works Director Nick Russo presented the annual traffic signal maintenance contract. The City is currently responsible for operation of 12 signalized intersections, four school zone flashers and two fire station flashers. This contract covers routine maintenance/repair on all signal devices and is on-call in the event of emergencies. The formal bid process was followed with Redhawk Solutions as the successful bidder. The contract price is a not-to-exceed amount of \$50,000 annually with unit pricing included. The contract term is July 1, 2016 through June 30, 2019 with two negotiable extension years optional following the initial term. Mr. Michael Wendtland from Redhawk Solutions was present to answer questions.

Mayor Mook commented she thought this contract was less expensive than the previous contract and Mr. Russo confirmed that was true.

Councilor Shapera asked a number of questions about this proposal: 1) what is the monthly cost of the contract if there are hourly rates also listed? Answer – Mr. Russo explained there is a monthly preventative service charge in the contract and the hourly rate would apply to any emergency situations, 2) there was an item in the bid where Redhawk bid \$300 and the competitor bid \$11,100 on the same item, why such a huge difference? Answer - Mr. Russo replied that without consulting with the competitor, he believed their estimator simply misunderstood the bid product, 3) is the certified traffic electrician designation an official title or a trade name? Answer - there is such a designation from the Transportation Board for traffic signals.

Councilor Delgado asked if the contract requires a time frame for response to problems or emergencies and Mr. Russo stated the contract stipulates they are to respond within four hours. He also asked if that response time was 24/7 and Mr. Russo confirmed yes, 24/7.

Councilor Jones asked if they have an average response time and Mr. Wendtland reported they would be responding from the Deer Valley Area so it would be approximately a 45-minute drive time, and possibly longer if coming from a residence during evenings.

Councilor Shapera stated PD had the ability to put the signal on flash during a problem and Mr. Russo confirmed that there is that option and ability to put the signal on manual flash; Council Shapera stated that could help with the response time as well.

**Vice Mayor Ramirez moved to authorize the City Manager to enter into a contract with Redhawk Solutions LLC for traffic signal maintenance and repair in an amount not to exceed \$50,000 annually; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

- E. Consideration and action to hold a public hearing to permit any taxpayer to be heard in favor of or against any proposed expenditure or tax levy. (Finance)

Finance Director Robert Nilles stated the information for this item is the same as previously presented in workshops and for the FY 2016/17 Tentative Budget approval. Some highlights he covered were the fact that this budget process assists the City with its bond rating enabling an upgrade to AA- and preserving the \$6M reserve is a key factor in maintaining that bond rating. Utility rates have not increased for the past three years under the Council's 5-year commitment of no utility rates, and this has positioned the City in a very competitive position with other communities in the Valley. El Mirage is actually below average for combined water and sanitation bills. This year the Primary and Secondary Property Tax levy will remain flat. Primary Property taxes are dedicated to pay for the Police and Fire public services and the Secondary Property Taxes are 100% voter authorized to pay down debt and for capital projects. The combined tax rate is dropping from \$3.84 to \$3.78 for this year. The FY 2016/17 budget is set at \$90,652,000.

**Vice Mayor Ramirez moved to hold a public hearing to permit any taxpayer to be heard in favor of or against any proposed expenditure or tax levy; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

Mayor Mook opened the Public Hearing

- F. Consideration and action to convene in a Special Meeting to finally determine and adopt estimates of proposed expenditures pursuant to A.R.S. §42-1710. Adoption of budget. (Finance)

**Vice Mayor Ramirez moved to convene into a Special Meeting to finally determine and adopt estimates of proposed expenditures pursuant to A.R.S. §42-1710 Adoption of budget; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

**SPECIAL MEETING OF THE COMMON COUNCIL  
OF THE CITY OF EL MIRAGE  
EL MIRAGE CITY COUNCIL CHAMBERS  
14010 N. EL MIRAGE ROAD  
TUESDAY, JUNE 7, 2016**

## **G. SPECIAL MEETING AGENDA**

**SP1.** Consideration and action to finally determine and adopt the FY 2016/17 proposed spending limitation and budget pursuant to Resolution R16-06-15. (Finance)

Resident Steve Gilliam questioned why taxes are the same for properties in an HOA versus in a non-HOA when the HOA maintains their common areas; is this difference considered when assessing property values to determine property taxes?

Mayor Mook noted that the City does not assess property values rather, that is a function of Maricopa County. Mr. Nilles added that this Council took action approximately five years ago to stipulate that Primary Property Taxes would only be used to support Police and Fire operations specifically. The Secondary Property Taxes are 100% voter authorized and is used to pay off debt authorized by the voters, such as capital projects like streets, public safety facilities or major parks for the City.

Dr. Isom stated the budget process is now familiar and the benefits of the Council's guidance in estimating conservatively and spending judiciously are reaping benefits.

Mayor Mook closed the Public Hearing.

**Vice Mayor Ramirez moved to finally determine and adopt the FY 2016/17 proposed spending limitation and budget pursuant to Resolution R16-06-15; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

**H.** Consideration and action to close the Special Meeting and reconvene into Regular session. (Finance)

**Vice Mayor Ramirez moved to close the Special Meeting and reconvene into Regular Session; seconded by Councilor Delgado. Motion carried unanimously (7/0).**

## **VIII. CITY MANAGER SUMMARY OF CURRENT EVENTS**

The City Council may not act upon any matter in the City Manager's summary but may have general comment or questions.

Dr. Isom announced there will be a Fire Department Promotion Ceremony on June 23, 2016, at 10:30 am at the Fire Station. Lunch will be served immediately following the ceremony and he noted this would be a great opportunity to visit with the Firefighters. Firefighters to be recognized are David Cleveland, Joseph Fusco, Jeffrey Kinkade, Joseph Rivera, Chris Richardson and Darrell Tirpak.

**IX. MAYOR'S COMMENTS and COUNCIL SUMMARY OF CURRENT EVENTS**

The Mayor and City Council may not discuss or act upon any matter in the summary unless the specific matter is properly noticed for legal action.

Vice Mayor Ramirez stated there is a need to review the Dysart Ranchettes irrigation system as some of the irrigation areas are not being maintained and Code Enforcement needs to cite property owners. Dr. Isom reported staff is aware of this complicated and historical issue and is working on an assessment to come up with a viable solution. Nick Russo is the contact for this project that also includes Engineering, Council, City Clerk and Code Enforcement in the research and discussions.

Councilor Shapera thanked Mr. Doug Farler for coming to the meeting to make his award presentation to Councilor Selby.

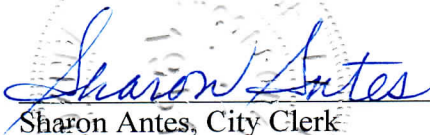
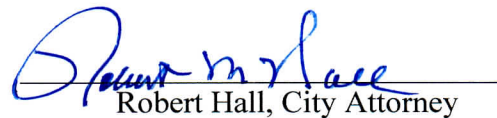
**X. ADJOURNMENT**

The meeting was adjourned at 7:15 pm.

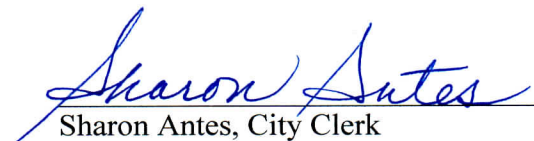


Lana Mook, Mayor

Attest:

  
Sharon Antes, City Clerk  
Robert Hall, City Attorney

I hereby certify the aforementioned minutes are a true and accurate record of the Regular El Mirage City Council Meeting held on Tuesday, June 7, 2016 and a quorum was present.

  
Sharon Antes, City Clerk